## ACID RAIN PROGRAM PERMIT

Dynegy Midwest Generation, Inc.

Attn: Kathy Roemmel, Designated Representative

2828 North Monroe Street Decatur, Illinois 62526-3269

Oris No.: 898

<u>IEPA I.D. No.:</u> 119020AAE

Source/Unit: Wood River Power Station/ Units 1 through 5

Date Received: December 10, 2003

Date Issued: March 21, 2005

Effective Date: January 1, 2005 Expiration Date: December 31, 2009

#### **STATEMENT OF BASIS:**

In accordance with Titles IV and V of the Clean Air Act, the Illinois Environmental Protection Agency is issuing this Acid Rain Program permit to Dynegy Midwest Generation, Inc. for its Wood River Power Station.

# SULFUR DIOXIDE (SO<sub>2</sub>) ALLOCATIONS AND NITROGEN OXIDES (NO<sub>x</sub>) LIMITS FOR EACH AFFECTED UNIT:

		SO <sub>2</sub> Allowances,	2005	2006	2007	2008	2009
		under Tables 2, 3,					
	UNIT 1	or 4 of 40 CFR Part	3	3	3	3	3
		73					
NO <sub>x</sub> Limit None (Boiler Does Not Burn				ırn Solid Fue	el)		

	SO <sub>2</sub> Allowances,	2005	2006	2007	2008	2009
	under Tables 2, 3,					
UNIT 2	or 4 of 40 CFR Part	3	3	3	3	3
	73					
NO <sub>x</sub> Limit None (Boile				Does Not Bu	ırn Solid Fue	el)

UNIT 3	SO <sub>2</sub> Allowances,	2005	2006	2007	2008	2009
	under Tables 2, 3, or 4 of 40 CFR Part 73	3	3	3	3	3

	SO <sub>2</sub> Allowances,	2005	2006	2007	2008	2009
UNIT 4	under Tables 2, 3, or 4 of 40 CFR Part 73*	2,259	2,259	2,259	2,259	2,259
	NO <sub>x</sub> Limit	0.40 Lb/mmBtu (Standard Limit for Phase II Tangentially Fired Boile				ed Boiler)

\* Also includes return of repowering deduction of 1 allowance, which was returned by USEPA on October 30, 2000.

	SO <sub>2</sub> Allowances,	2005	2006	2007	2008	2009	
UNIT 5	under Tables 2, 3, or 4 of 40 CFR Part 73*	9,481	9,481	9,481	9,481	9,481	
	NO <sub>x</sub> Limit	0.40 lb/mmBtu (Standard Limit for Phase II Tangentially Fired Boiler)					

<sup>\*</sup> Also includes return of repowering deduction of 3 allowances, which were returned by USEPA on October 30, 2000.

**PERMIT APPLICATION:** The permit application, including the NO<sub>x</sub> compliance plan, is attached and incorporated as part of this permit. The owners and operators of this source must comply with the standard requirements and special provisions set forth in the application.

**COMMENTS, NOTES, AND JUSTIFICATIONS**: This permit contains provisions related to sulfur dioxide (SO<sub>2</sub>) emissions and requires the owners and operators to hold SO<sub>2</sub> allowances to account for SO<sub>2</sub> emissions. An allowance is a limited authorization to emit up to one ton of SO<sub>2</sub> during or after a specified calendar year. The transfer of allowances to and from a unit account does not necessitate a revision to the unit SO<sub>2</sub> allocations denoted in this permit (See 40 CFR 72.84).

This permit contains provisions related to NO<sub>x</sub> emissions requiring Wood River Units 4 and 5 to comply with applicable emission limitations for NO<sub>x</sub> under the Acid Rain program. Pursuant to 40 CFR 76, the Illinois EPA is approving NO<sub>x</sub> standard emission limitation compliance plans for Wood River Units 4 and 5. The compliance plan is effective for calendar years 2005 through 2009. Under the compliance plan, the annual average NO<sub>x</sub> emission rate for each year for Wood River Units 4 and 5, determined in accordance with 40 CFR Part 75, shall not exceed the applicable emission limitation, under 40 CFR 76.7(a)(1), i.e. 0.40 lb/mmBtu for phase II tangentially fired boilers.

In addition to the described  $NO_X$  compliance plan, Wood River Units 1 through 5 shall comply with all other applicable requirements of 40 CFR Part 75 and 76, including monitoring of  $NO_X$  emissions, the duty to reapply for a  $NO_X$  compliance plan, and requirements covering excess emissions.

This permit does not affect the source's responsibility to meet all other applicable local, state and federal requirements, including state requirements under 35 Ill. Adm. Code Part 217 Subpart W, which addresses NO<sub>x</sub> emissions from Wood River Units 1 through 5.

If you have any questions regarding this permit, please contact Kunj Patel at 217-782-2113.

## Page 3

Manager, Permits Section Division of Air Pollution Control

DES:KP:jar

Cecilia Mijares, USEPA Region V John Justice, IEPA Region 3 cc:



## **Acid Rain Permit Application**

	For more information, see instr	uctions and refer t	o 40 CFR 72.30 and	72.31	
	This submission is: 🖸 New	Revised			
TEP 1					
entify the source by ant name, State, and	Plant Name Wood River		State IL.	ORIS Code 999	
RIS code.		100			

#### STEP 2

Enter the unit ID# for every affected unit at the affected source in column "a." For new units, enter the requested information in columns "c" and "d."

	b	c	d
Unit ID#	Unit Will Hold Allowarioss in Accordance with 40 OFR 72 9(c)(1)	New Units Commence Operation Date	New Units Montor Certification Deading
1	Yes		
2	Yes		
3	Yes		
4	Yes		
5	Yes		
	Yes		
	Yes		
	Y		
	THIS		
	Yes		

Wood River Plant Name (from Step 1)

### STEP 3

### Read the standard requirements

#### Permit Requirements

- The designated representative of each affected source and each affected unit at the source shall
  - (i) Submit a complete Acid Rain permit application (including a compliance plan) under 40 CFR part 72 in accordance with the deadlines specified in 40 CFR 72.30; and
  - (ii) Submit in a timely manner any supplemental information that the permitting authority determines is necessary in order to review an Acid Rain permit application and issue or deny an Acid Rain permit;
- (2) The owners and operators of each affected source and each affected unit at the source shall:
  - (i) Operate the unit in compliance with a complete Acid Rain permit application or a superseding Acid Rain permit issued by the permitting authority; and (ii) Have an Acid Rain Permit

#### Monitoring Requirements

- (1) The owners and operators and, to the extent applicable, designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR part 75.
- (2) The emissions measurements recorded and reported in accordance with 40 CFR part 75 shall be used to determine compliance by the unit with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen exides
- under the Acid Rain Program.

  (3) The requirements of 40 CFR part 75 shall not affect the responsibility of the owners and operators to monitor emissions of other pollutants or other emissions characteristics at the unit under other applicable requirements of the Act and other provisions of the operating permit for the source.

#### Sulfur Dioxide Requirements

- (1) The owners and operators of each source and each affected unit at the source shall:
- (i) Hold allowances, as of the allowance transfer deadline, in the unit's compliance subaccount (after deductions under 40 CFR 73.34(c)), or in the compliance subaccount of another affected unit at the same source to the extent provided in 40 CFR 73.35(b)(3), not less than the total annual emissions of sulfur dioxide for the previous
- calendar year from the unit; and (ii) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide.
- (2) Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act.
- (3) An affected unit shall be subject to the requirements under paragraph (1) of the sulfur dioxide requirements as follows

  - (i) Starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or (ii) Starting on the later of January 1, 2000 or the deadline for monitor certification under 40 CFR part 75, an affected unit under 40 CFR 72.6(a)(3).
- (4) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.
- (5) An allowance shall not be deducted in order to comply with the requirements under paragraph (1) of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated
- (6) An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, the Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.

  (7) An allowance allocated by the Administrator under the Acid Rain Program does not
- constitute a property right.

STEP 3. Cont'd.

Nitrogen Oxides Requirements The owners and operators of the source and each affected unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides.

#### Excess Emissions Requirements

(1) The designated representative of an affected unit that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR part 77 (2) The owners and operators of an affected unit that has excess emissions in any calendar year shall:

(i) Pay without demand the penalty required, and pay upon demand the interest on that penalty, as required by 40 CFR part 77; and

(ii) Comply with the terms of an approved offset plan, as required by 40 CFR part 77.

#### Recordkeeping and Reporting Requirements

(1) Unless otherwise provided, the owners and operators of the source and each affected unit at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by the Administrator or permitting

authority:

(i) The certificate of representation for the designated representative for the source and each affected unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24: provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative:

(ii) All emissions monitoring information, in accordance with 40 CFR part 75, provided that to the extent that 40 CFR part 75 provides for a 3-year period for recordkeeping.

the 3-year period shall apply.

(iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Pregram; and,

(iv) Copies of all documents used to complete an Acid Rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the

requirements of the Acid Rain Program.

(2) The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR part 72 subpart I and 40 CFR part 75.

#### Liability

- Any person who knowingly violates any requirement or prohibition of the Acid Rain. Program, a complete Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement pursuant to section 113(c) of the Act.
- (2) Any person who knowingly makes a false material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to section 113(c) of the Act and 18 U.S.C. 1001.

(3) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.
(4) Each affected source and each affected unit shall meet the requirements of the Acid

Ráin Program.

Wood River

Plant Name (from Step 1)

### Step 3, Cont'd.

#### Liability, Cont'd.

(5) Any provision of the Acid Rain Program that applies to an affected source (including a provision applicable to the designated representative of an affected source) shall also apply to the owners and operators of such source and of the affected units at the source. (6) Any provision of the Acid Rain Program that applies to an affected unit (including a provision applicable to the designated representative of an affected unit) shall also apply to the owners and operators of such unit. Except as provided under 40 CFR 72.44 (Phase II repowering extension plans) and 40 CFR 76.11 (NO, averaging plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR part 75 (including 40 CFR 75.16, 75.17, and 75.18), the owners and operators and the designated representative of one affected unit shall not be liable for any violation by any other affected unit of which they are not owners or operators or the designated representative and that is located at a source of which they are not owners or operators or the designated representative.

(7) Each violation of a provision of 40 CFR parts 72, 73, 74, 75, 76, 77, and 78 by an effected source or affected unit, or by an owner or operator or designated representative of such source or unit, shall be a separate violation of the Act.

#### Effect on Other Authorities

No provision of the Acid Rain Program, an Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8 shall be construed as:

(1) Except as expressly provided in title IV of the Act, exempting or excluding the owners

and operators and, to the extent applicable, the designated representative of an affected source or affected unit from compliance with any other provision of the Act, including the provisions of title I of the Act relating to applicable National Ambient Air Quality Standards or State Implementation Plans.

(2) Limiting the number of allowances a unit can hold; provided, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the Act:

(3) Requiring a change of any kind in any State law regulating electric utility rates and charges, affecting any State law regarding such State regulation, or limiting such State regulation, including any prudence review requirements under such State law;

(4) Modifying the Federal Power Act or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act, or,

(5) Interfering with or impairing any program for competitive bidding for power supply in a State in which such program is established.

#### STEP 4

#### Certification

Read the certification statement. sign, and date

I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I arm aware that there are significant penalties for submitting faise statements and information or omitting required statements and information, including the possibility of fine or imprisonment.

Name Kathy Roemmel	
Signature Cothy a Roumed	Dete /2-5-03

EPA Form 7610-16 (rev. 10-01)

## Phase II NO<sub>x</sub> Compliance Plan Region

This submission is: 🗷 Now 🔲 Revised Wood Rivar IL 898 ORIS Cade  $\Box$ K. r 

[	tani Name (ho	n SNp ty	Wood I	River	NO, C	omplance - Page 2 Page [] of [2]
STEP 2, cont'd.	4 T	5 T	Col	De	ice.	C#
į.	ype	Type	Type	Туро	Type	Type
(m) EPA-approved common stack apportunities method purplishe to 40 CFR 76 17 (882001C), (8020010(6), or (0)(2)						
Olimonstration Period Final AEL Petition, or AEL Panewall						
(a) Petition for AEI demonstration period or final AEL under review by U.B. EPA o demonstration period oncome	, 🗆					
(p) Repowering estantion plan approved or under review						

STEP 3
Head the standard
requirements and
contilication, enter the
name of the designate
representative, eign 6.

#### Standard Regulrements

Control. This source is subject to the standard requirements in 40 CFR 72.9 (consistent with 40 CFR 76.8(c)(1)(ii). These requirements are listed in this source's Acid Rain Permit.

#### Special Provisions for Early Election Units

National Craims. A unit that is governed by an approved early election plan shall be subject to an emissions limitation for MD, as provided under 40 CFR 76 8(a)(2) except as provided under 40 CFR 78 8(a)(3)(a). Listeny. The owners are operators or a unit governed by an approved early election plan shall be label for any violation of the plan or 40 CFR 78 at that unit. The owners and operators shall be fable, beginning January 1, 2000, for MBINg the obligations appealed in 40 CFR Part 77.

Termination. An approved early decision plan shall be in effect only until the earlier of January 1, 2000 or January 1 of the relativistar year for existing the interview of the plan thisse effect. If the designated representation of the unit under an approved early election plan table to demonstrate compliance with the applicable emissions limitation.

Termination. An approved early deciden plan shall be in effect only unit the earlier of January 1, 2000 or January 1 of the relativistar year for which is termination of the plan takes effect. If the designated representative of the unit uniter an approved early election plan take to demonstrate compliance with the applicable emissions installable in the early election plan takes of CFR 75.5 for any year during the period beginning January 1 of the first year the early election shows effect and ending Department 31, 2007, the permitting authority wit terminate the plan. The termination will take effect beginning January 1 of the year after the year for which there is a belians to demonstrate complement, and the designated representative only not submit a new early election plan. The designated representative of the unit under an approved early election plan may terminate the plan any year prior to 2000 but may not submit a new early election plan this visit to learn submit an extension that the contribution of the plan and the effect. If an early election plan is terminated any year prior to 2000, the first submit an extension to the effect and any plan prior to 2000, the result with different takes of the termination, the applicable emissions limitation for NO, for Phone II units with Group 1 bolers under 40 CFR 75.7.

#### Certification

I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made. I certify under penalty of the that I have posteroidy coamined, and an lamiter with the subments and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the subminers and offerendance to the total of my transversible sent interest me, accounts, and competer. I am aware that there are significant penalties for submitting little substitutions and information or omitting required statements and information, including the possibility of the or impresement.

Jura	Kathy Roemmel	
Signature	Kathy a Rounnel	Date 12-5-03